

# **Report on Medicaid Non-Emergency Medical Transportation Brokerage Contract in Wayne, Oakland, and Macomb Counties**

(FY2014 Appropriation Bill – Public Act 59 of 2013)

**October 31, 2013**

Section 1861: On or before October 31 of the current fiscal year, the department shall provide the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies its report regarding the pilot program involving nonemergency medical transportation offered to Medicaid recipients.

*Michigan Department  
of Community Health*



**Rick Snyder, Governor  
James K. Haveman, Director**

**Report on Medicaid  
Non-Emergency Medical Transportation Brokerage Contract in Wayne, Oakland, and Macomb Counties**

The Michigan Department of Community Health (MDCH) is federally mandated to assure transportation of Medicaid beneficiaries to medical care.<sup>1</sup> Medicaid nonemergency medical transportation (NEMT) services are administered by both the Medicaid Health Plans (MHP) and the fee-for-service system (FFS).

In Wayne, Oakland and Macomb counties, NEMT is arranged by LogistiCare Solutions, LLC under a contracted brokerage program with MDCH. NEMT services covered under the broker contract include transportation for beneficiaries not enrolled in an MHP, and transportation for MHP enrollees for services that are not covered under the MHP contract (substance use, mental health, dental). The brokerage program is a pilot that began in January 2011 and was renewed through November 30, 2013. The department anticipates moving to a capitated payment model beginning December 1, 2013.

Table 1 represents Medicaid transportation expenditures incurred as a result of the brokerage program in Wayne, Oakland, and Macomb counties during fiscal year (FY) 2011. In addition to the figures below, \$640,863 was spent to administer the program. Table 1 reflects nine months of operation.

Table 1

| <b>Medicaid Transportation Expenditures via Broker (LogistiCare)</b> |   |                         |                              |   |              |
|--|---|-------------------------|------------------------------|---|--------------|
| <b>County Name</b>   | <b>Reimbursement to Providers</b><br>(Includes Meals, Lodging & Taxi) | <b>Private Vehicles</b> | <b>Public Transportation</b> | <b>Out of State (Providers &amp; Private)</b> | <b>Total</b> |
| <b>MACOMB COUNTY</b>   | \$378,071   | \$4,010                 | \$416                        | \$49  | \$382,546    |
| <b>OAKLAND COUNTY</b>  | \$900,683   | \$6,459                 | \$401                        | \$1,612                                       | \$909,155    |
| <b>WAYNE COUNTY</b>  | \$3,982,930   | \$5,077                 | \$15,344                     | \$312   | \$4,003,663  |
| <b>Total</b>   | \$5,261,684   | \$15,546                | \$16,160                     | \$1,974                                       | \$5,295,364  |

Table 2 represents Medicaid transportation expenditures incurred as a result of the brokerage program in Wayne, Oakland, and Macomb counties during fiscal year (FY) 2012. In addition to the figures below, \$1,409,936 was spent to administer the program. Table 2 reflects the first full FY of brokerage operation.

Table 2

| <b>Medicaid Transportation Expenditures via Broker (LogistiCare)</b> |   |                         |                              |   |              |
|--|---|-------------------------|------------------------------|---|--------------|
| <b>County Name</b>   | <b>Reimbursement to Providers</b><br>(Includes Meals, Lodging & Taxi) | <b>Private Vehicles</b> | <b>Public Transportation</b> | <b>Out of State (Providers &amp; Private)</b> | <b>Total</b> |
| <b>MACOMB COUNTY</b>   | \$1,123,931   | \$3,667                 | \$560                        | \$0   | \$1,128,157  |
| <b>OAKLAND COUNTY</b>  | \$1,722,023   | \$10,184                | \$267                        | \$4,346                                       | \$1,736,821  |
| <b>WAYNE COUNTY</b>  | \$7,082,314   | \$9,543                 | \$20,128                     | \$5,356                                       | \$7,117,342  |
| <b>Total</b>   | \$9,928,268   | \$23,394                | \$20,955                     | \$9,703                                       | \$9,982,320  |

Attachment 1 represents utilization by Medicaid recipients for fiscal years 2011 and 2012. Note that the 2011 data represents nine months of service.

<sup>1</sup> 42 CFR 431.53

|   |                     |   |                    |  |   |
|---|---------------------|---|--------------------|--|---|
| <b><u>Attachment 1</u></b>                                    |                     |   |                    |  |   |
|   |                     | <b><u>Brokerage data for fiscal years 2011 &amp; 2012</u></b> |                    |  |   |
|   | <b><u>2011*</u></b> | <b><u>2011 Per<br/>month average</u></b>                      | <b><u>2012</u></b> | <b><u>2012 Per<br/>month average</u></b> | <b><u>2012 Percentage<br/>Increase/Decrease over<br/>2011**</u></b> |
| Ambulatory Trips  | 248,563             | 27,618  | 519,159            | 43,263                                   | 56.65%  |
| Medivan Trips   | 72,125              | 8,014   | 93,973             | 7,831                                    | -2.28%  |
| Wheelchair Lift Van<br>Trips                                  | 38,832              | 4,315   | 63,180             | 5,265                                    | 22.03%  |
| Substance Abuse Trips   | 13,581              | 1,509   | 44,706             | 3,726                                    | 146.89%   |
| Lodging Provided  | 271                 | 30  | 9,602              | 800                                      | 2557.38%  |
| Meals Provided  | 129                 | 14  | 8,589              | 716                                      | 4893.60%  |
| Unduplicated Riders   | 12,039              | 1,338   | 18,098             | 1,508                                    | 12.75%  |
| Individual Riders per<br>month with at least 1<br>reservation | 37,114              | 4,124   | 69,296             | 5,775                                    | 40.03%  |
| Number of Calls<br>Received                                   | 116,902             | 12,989  | 215,742            | 17,979                                   | 38.41%  |
| Number of Answered<br>Calls                                   | 97,364              | 10,818  | 191,258            | 15,938                                   | 47.33%  |
| *January through September                                    |                     |   |                    |  |   |
| **Based on Per month average                                  |                     |   |                    |  |   |